

RECORDATION NO. 21949 FILED

JAN 11 '99 11-40AM

ALVORD AND ALVORD  
ATTORNEYS AT LAW  
918 SIXTEENTH STREET, N.W.  
SUITE 200  
WASHINGTON, D.C.

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

20006-2973  
(202) 393-2266  
FAX (202) 393-2156

OF COUNSEL  
URBAN A LESTER

RECORDATION NO. 21949-A FILED

JAN 11 '99 11-40AM

January 11, 1999

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Deployment Agreement, dated as of July 18, 1997, a primary document as defined in the Board's Rules for the Recordation of Documents and two (2) copies of an Assignment of Deployment Agreement, dated as of November 30, 1998, a secondary document related thereto.

The names and addresses of the parties to the enclosed documents are:

Deployment Agreement

Lessor: Railcar, Ltd.  
1819 Peachtree Road, NE  
Atlanta, GA 30309

Lessee: Public Belt Railroad Commission  
for the City of New Orleans  
c/o New Orleans Public Belt Railroad  
4822 Tchoupitoulas Street  
New Orleans, LA 70151

Mr. Vernon A. Williams  
January 11, 1999  
Page 2

Assignment

Assignor: Railcar, Ltd.  
1819 Peachtree Road, NE  
Atlanta, GA 30309

Assignee: BTM Capital Corporation  
125 Summer Street  
Boston, MA 02110

Lessee: Public Belt Railroad Commission  
for the City of New Orleans  
c/o New Orleans Public Belt Railroad  
4822 Tchoupitoulas Street  
New Orleans, LA 70151

A description of the railroad equipment covered by the enclosed document is:  
  
set forth on the schedules attached hereto.

Also enclosed is a check in the amount of \$52.00 payable to the order of the  
Surface Transportation Board covering the required recordation fee.

Kindly return stamped copy of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/bg  
Enclosures

## SCHEDULE I

Lease dated July 16, 1997, by and between Railcar, Ltd. ("LTD") and Public Belt Railroad Commission for the City of New Orleans ("DEPLOYER"):

TYPE AND  
DESCRIPTION  
OF CARS:

50 ft. 6 in., 70-ton, rigid underframe boxcars with sliding doors which previously operated under SOU marks within the series 19000 - 19999, 38000 - 38499 and 40500 - 41489. Prior to delivery, these Cars will be refurbished in accordance with the repair specification attached as Exhibit A:

ITEM	SOU	SOU	SOU
	19000 Series	38000 Series	40500 Series
AAR Car Type	XM	XM	XM
Plate	C	C	C
Cubic Capacity	5219 cu. ft.	5219 cu. ft.	5219 cu. ft.
Inside Length	50 ft. 6 in.	50 ft. 6 in.	50 ft. 6 in.
Inside Width	9 ft. 5 5/8 in.	9 ft. 5 5/8 in.	9 ft. 5 5/8 in.
Inside Height	10 ft. 11 in.	10 ft. 11 in.	10 ft. 11 in.
Door Opening - Width	10 ft. 0 in.	10 ft. 0 in.	10 ft. 0 in.
Door Opening - Height	10 ft. 2 19/32 in.	10 ft. 2 19/32 in.	10 ft. 2 19/32 in.
Light Weight	62,700 #	62,400 #	64,000 #
Load Limit	157,300 #	157,600 #	156,000 #

NUMBER OF CARS: One Hundred (100)

REPORTING MARKS  
AND NUMBERS: NOPB 7000-7099

OWNER: Progress Rail Services Corporation

RAILCAR, LTD.

By: Wilds L. Pierce  
Wilds L. Pierce

Title: President

Date: \_\_\_\_\_

PUBLIC BELT RAILROAD COMMISSION  
FOR THE CITY OF NEW ORLEANS

By: G.H. Hutchison  
G.H. Hutchison

Title: General Manager

Date: \_\_\_\_\_

## SCHEDULE II

Lease dated July 16, 1997, by and between Railcar, Ltd. ("LTD") and Public Belt Railroad Commission for the City of New Orleans ("DEPLOYER"):

TYPE AND  
DESCRIPTION  
OF CARS:

50 ft. 6 in., 70-ton, rigid underframe boxcars with sliding doors which previously operated under NW marks within the series 57500 - 57999. Prior to delivery, these Cars will be refurbished in accordance with the repair specification attached as Exhibit A:

ITEM

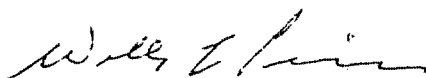
AAR Car Type	XP
Plate	B
Cubic Capacity	5077 cu. ft.
Inside Length	50 ft. 6 in.
Inside Width	9 ft. 6 1/8 in.
Inside Height	10 ft. 7 7/16 in.
Door Opening - Width	10 ft. 0 in.
Door Opening - Height	9 ft. 11 5/32 in.
Light Weight	57,900 #
Load Limit	162,100 #

NUMBER OF CARS: Seventy-Five (75)

REPORTING MARKS  
AND NUMBERS: NOPB 7100-7174

OWNER: Progress Rail Services Corporation

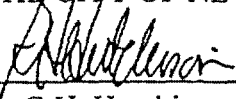
RAILCAR, LTD.

By:   
Wilds L. Pierce

Title: President

Date: \_\_\_\_\_

PUBLIC BELT RAILROAD COMMISSION  
FOR THE CITY OF NEW ORLEANS

By:   
G.H. Hutchison

Title: General Manager

Date: \_\_\_\_\_

SURFACE TRANSPORTATION BOARD  
WASHINGTON, D.C. 20423-0001

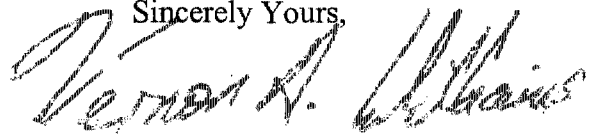
OFFICE OF THE SECRETARY

Robert W. Alvord  
Alvord and Alvord  
918 Sixteenth St., NW., Ste. 200  
Washington, DC., 20006-2973

Dear Sir:

The enclosed documents (s) was recorded pursuant to the provisions of 49 U.S.C.  
11301 and CFR 1177.3 (c), on 1/11/99 at 11:40AM, and  
assigned recordation numbers (s): 21949 and 21949-A.

Sincerely Yours,



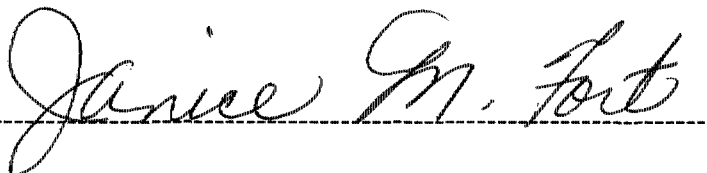
Vernon A. Williams

Enclosure(s)

52.00

\$\_\_\_\_\_ The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid. In the event of an error or any questions concerning this fee, you will receive a notification after the Surface Transportation Board has an opportunity to examine your document.

Signature-----



JAN 11 '99

11-40AM

**DEPLOYMENT AGREEMENT**

This DEPLOYMENT AGREEMENT ("Agreement") is made and entered as of the 18th day of July, 1997, between RAILCAR, LTD., a Georgia corporation (hereinafter called "LTD") and PUBLIC BELT RAILROAD COMMISSION FOR THE CITY OF NEW ORLEANS (hereinafter called "DEPLOYER").

**RECITALS**

LTD agrees to provide to DEPLOYER and DEPLOYER agrees to use its best efforts to deploy to rail lines with which DEPLOYER maintains interchange connections those railroad cars described in Schedules I and II attached hereto and made a part of this Agreement, all upon the terms and conditions set forth in this Agreement.

**AGREEMENT**

1. Deployment of Cars. LTD agrees to provide to DEPLOYER, and DEPLOYER agrees to deploy from LTD, pursuant to the terms of this Agreement, those railroad cars described on Schedule I and II attached hereto and made a part of this Agreement. The word "Schedule" as used herein includes the Schedule executed concurrently herewith and all amendments thereto, which when signed by both parties shall become a part of this Agreement. The scheduled items of equipment are hereinafter referred to as the "Car" or "Cars." LTD shall render its best efforts to make available for deployment by DEPLOYER all Cars; provided, however, that this Agreement shall apply to such lesser number of Cars or additional Cars as are actually made available from time to time, and LTD shall suffer no liability, penalty or other prejudice for failure to make available all Cars at anytime during the term of this Agreement.

2. Term. The term of this Deployment Agreement as to each Car shall be for an initial term commencing upon Delivery (as defined below) and continuing until expiration of five (5) years from Commencement Date. The Commencement Date shall be the first day of the month following the date on which the last Car is delivered and accepted by DEPLOYER or 180 days following the date of this Agreement, whichever comes first. Upon the expiration of the initial term and each extended term, this Agreement shall be automatically extended for an additional period of twelve (12) months ("extended term") unless written notice is given by either party at least sixty (60) days prior to the end of the initial or extended term.

3. Deployment Revenue.

a. DEPLOYER agrees and does hereby assign to LTD all payments made or due to DEPLOYER under the Interchange Rules by other railroad companies or any other party for or during the deployment possession, use or handling of the Cars and collected by DEPLOYER or its car hire agent. Such payments include but are not limited to mileage charges, hourly car hire payments and car repair payments (if applicable) under then applicable STB and/or

AAR Car Hire provisions (all of which payments made to DEPLOYER are herein collectively referred to as "payments"). Notwithstanding any provision herein to the contrary, DEPLOYER shall be responsible for promptly paying to LTD any hourly and mileage car hire payments not paid to DEPLOYER because a railroad company or other party claims an offset against DEPLOYER or for which DEPLOYER receives an economic benefit.

b. In the event that damage beyond repair or destruction of a Car has been reported in accordance with Rule 7 of the AAR Car Service and Car Hire Agreement Code of Car Hire Rules--Freight and the appropriate amount due as a result thereof is received by LTD, the damaged or destroyed Car will be removed from the coverage of this Agreement as of the date of the casualty, although LTD will be entitled to all payments earned up to and including said date. LTD may at its discretion replace damaged or destroyed cars with like equipment.

c. LTD shall have the right to negotiate bilateral or multilateral contracts concerning car hire for the Cars on behalf of DEPLOYER provided that the rates established are equal to or greater than ~~xxx~~ per hour for per diem and ~~xxx~~ per mile for mileage. Neither LTD nor DEPLOYER shall without prior written consent of the other party use DEPLOYER's quota to deprescribe any Car subject to this Agreement by designating any Car a "market rate car" pursuant to the rules and regulations of the STB, including without limitation 49 CFR 1033.1(b)(3) or any successor thereto. LTD does, however, intend to deprescribe the Cars prior to placing them in service with DEPLOYER, but does not guarantee this will occur.

d. Payments owing to LTD hereunder shall not be subject to any setoff, withholding, abatement or deduction of any nature except as expressly permitted in this Agreement.

e. The Cars shall be car hire free to DEPLOYER while on its railroad. In addition, DEPLOYER shall receive as its fee for deploying the Cars an amount equal to ~~xxx~~ of the hourly car hire collected during the calendar year in excess of ~~xxx~~ per Car per month during each calendar year (prorated for any partial year). ~~xxx~~ shall be for the sole account of LTD. Any payment due DEPLOYER shall be made to DEPLOYER at the address set forth under Section 16b within 45 days from the end of each calendar quarter, subject to adjustment at the end of the year (with each party agreeing to make such payments as are necessary to reconcile quarterly payments with the actual payment required for the calendar year).

f. DEPLOYER shall be entitled to receive ~~xxx~~ of the car hire transferred to the connecting line-haul carriers on the Cars pursuant to the transfer of liability provisions of AAR Car Hire Rule 5.

4. Delivery and Acceptance.

a. LTD shall deliver the Cars repaired and refurbished pursuant to the specification of Exhibit A, attached hereto and made part hereof.

b. Acceptance of the Cars will take place at Kustom Karr repair facility (owned by Progress Rail Services) in Green Cove Springs, Florida or such other repair facility as designated by LTD. DEPLOYER shall be solely responsible for determining that the Cars comply with the specifications contained in this Agreement. Within five (5) days after LTD shall give notice ("Notice") to DEPLOYER that a minimum of twenty (20) Cars are ready for delivery, DEPLOYER will have its authorized representative inspect each Car and accept or reject them as to condition. Cars so inspected and accepted and any Car which DEPLOYER does not elect to inspect shall be accepted and subject to this Agreement ("Delivery"). All transportation and switching charges incurred in moving the Cars from the repair facility shall be borne by LTD.

5. Railroad Markings and Record Keeping.

a. LTD and DEPLOYER agree that said Cars will be lettered and AEI identified, at LTD's expense with the railroad markings of DEPLOYER. LTD and DEPLOYER further agree that any Car may also be marked with the name of LTD (or such other person as LTD may designate) and any other information required by an owner or secured party under any financing agreement entered into by LTD or an owner in connection with the acquisition of such Car. All such names and/or insignia shall comply with all applicable regulations.

b. LTD, at its expense and with assistance from DEPLOYER, shall during the term of this Agreement prepare and file all documents relating to the registration, maintenance and record keeping functions involving the Cars as required by law. Such documents shall include but are not limited to the following: (i) registration in the Official Railway Equipment Register and the Universal Machine Language Equipment Register (UMLER); and (ii) such reports as may be required from time to time by the STB, AAR, DOT and/or other regulatory agencies.

c. LTD shall, at its expense, monitor the performance of all record keeping functions related to the deployment of the Cars by DEPLOYER and other railroads and persons in accordance with AAR railroad interchange agreements and rules, including, but not limited to, car hire reconciliation. Correspondence from railroads using Cars shall be addressed to LTD and LTD shall furnish DEPLOYER a copy thereof upon request.

d. DEPLOYER agrees to appoint LTD as DEPLOYER's car hire accounting agent. As DEPLOYER's agent, LTD shall use its best efforts to collect car hire payments due with respect to DEPLOYER's car marks. LTD will audit per diem payments and shall file claims with railroads failing to pay the appropriate amount. DEPLOYER also agrees to forward any reclaims and repair and maintenance charges it receives against these Cars and copies of the car hire reports DEPLOYER receives from foreign roads to LTD.



e. All record keeping performed by LTD including all of LTD's records of payments, charges and correspondence related to the Cars shall be separately recorded and maintained by LTD in a form suitable for reasonable inspection by DEPLOYER from time to time during regular LTD business hours.

6. Possession and Use. DEPLOYER shall take possession of and deploy the Cars in a careful and prudent manner in compliance with all STB and/or AAR Interchange Rules and Regulations and in compliance with all laws and solely for the uses for which they were designed. DEPLOYER agrees that so long as the Cars are under this Agreement, it will not accept for deployment or lease additional cars of the same type, if the addition of such cars causes or might cause the Cars to fail to achieve the Minimum Utilization as defined in Section 12 of this Agreement. From and after acceptance of the Cars and so long as DEPLOYER shall not be in default hereunder, DEPLOYER shall be entitled to deploy the Cars for the full term of this Agreement subject to the terms of this Agreement. DEPLOYER will cooperate with LTD in an effort to keep the Cars within the continental limits of the United States of America. Except for the lettering described in Section 5a above indicating the interest of DEPLOYER, LTD, and any assignee, mortgagee, owner, or secured party, no lettering or marking shall be placed upon any of the Cars by DEPLOYER except upon the written direction or consent of LTD. DEPLOYER's rights to the possession and deployment of the Cars shall be subject and subordinate to the rights of any owner or secured party under any financing agreement entered into in connection with any financing for some or all of the Cars.

7. Repair Work. Except for running repairs or as otherwise provided herein, LTD shall authorize or cause to be performed all Repair Work. LTD shall bear all cost including reclaims incidental to such Repair Work. DEPLOYER shall at its sole cost and expense perform or cause to be performed all Repair Work and reclaims required by reason of DEPLOYER's delay, intended act or negligence or the intended act or negligence of a party other than LTD. DEPLOYER will also be responsible for the repair of any unfair usage damage as defined in Rule 95 in the AAR Field Manual while Cars are in its possession and for any such damage that it fails to detect when receiving Cars in interchange. LTD shall have no responsibility for major Repair Work until informed of the need therefor. LTD, at its expense, may require DEPLOYER to return Cars on DEPLOYER's line for preventive maintenance or repair work. LTD may at LTD discretion replace or withdraw any Car which LTD in its sole discretion deems uneconomical for Repair Work of any kind.

8. Casualty Cars. LTD shall and does hereby assume the risk of any Car which is lost, stolen, destroyed or damaged beyond economical repair ("Casualty Car") unless caused by DEPLOYER's negligence while on DEPLOYER's line. DEPLOYER shall bear the risk of and be responsible for any Car which is lost, stolen, destroyed or damaged beyond economical repair while on its lines. This Agreement shall terminate as to any Casualty Car on the date on which the casualty occurred unless LTD in its sole discretion decides to replace said Car with a like Car. All right, title and interest to payments for Repair Work or in connection with the loss of any

Casualty Car due from third parties is hereby assigned to and belongs to LTD, and DEPLOYER shall cooperate with LTD in the prosecution and collection of all claims therefor, all cost of which shall be borne by LTD.

9. Taxes. LTD agrees to pay all taxes, assessments or other governmental charges of whatever kind or character assessed or relating to each Car (including all sales and use taxes imposed on the rentals). LTD may contest any such taxes, or assessments or charges in appropriate proceedings and DEPLOYER agrees to cooperate with and assist LTD in all reasonable ways to enable LTD to comply with all state and local laws requiring the filing and/or payment of ad valorem taxes on Cars or sales and use taxes imposed on Car revenues.

10. Termination of Agreement. This Agreement shall terminate upon the occurrence of any of the following:

- a. The expiration of its term as set forth in Section 2 above.
- b. Upon the occurrence of any default pursuant to Section 15, LTD may, at its option, terminate this Agreement.
- c. Any termination allowed by Section 15a(vii) and (viii) shall terminate this Agreement only with respect to the Car or group of Cars which gave rise to the right to terminate. If Cars for which this Agreement is terminated or expires are on the railroad line of DEPLOYER upon such expiration or termination or are subsequently returned to DEPLOYER's railroad line, DEPLOYER shall at DEPLOYER'S expense remove DEPLOYER's railroad markings (railroad identification stencil) from the Cars and place thereon such markings (railroad identification stencil) as may be designated by LTD. After the removal and replacement of markings, DEPLOYER shall use its best efforts to load such Cars with freight and deliver them to a connecting carrier for shipment. DEPLOYER shall provide up to ninety (90) days' free storage on its railroad tracks for LTD or the subsequent lessee of any terminated Car. If the terminated Car remains on tracks of DEPLOYER beyond said ninety (90) day period, LTD or subsequent lessee or deployer shall pay for storage of said Cars at a rate mutually agreed upon by both parties. In all cases, DEPLOYER shall return the Cars in the same condition as when received, ordinary wear and tear excepted, except for Repair Work for which LTD is obligated pursuant to Section 7. Upon termination, and until the Cars are delivered on interchange tracks on DEPLOYER's lines designated by LTD and meeting all of the return conditions set forth herein, DEPLOYER shall continue to be liable and responsible for all obligations of DEPLOYER under this Agreement, including, without limitation, the payment of deployment revenue.

11. Assignment. The right to assign this Agreement by either party and DEPLOYER's and/or LTD's right to assign the benefits or delegate the duties hereunder shall exist only as follows:

a. DEPLOYER shall have no right to assign this Agreement or lease or loan any of the Cars without the prior written consent of LTD.

b. LTD shall have the right to assign its rights and obligations hereunder to another party and such party shall have the right to assume and perform pursuant to the terms of this Agreement all such rights and obligations, and DEPLOYER hereby consents to such assignment, assumption and performance; however, unless otherwise agreed to, LTD shall remain responsible and liable for the performance of any assignee.

12. Definitions. For all purposes of this Agreement, the following terms shall have the following meanings:

"AAR" shall mean the Association of American Railroads.

"AEI" shall mean Automated Equipment Identification.

"DOT" shall mean the United States Department of Transportation.

"Repair Work" - all repairs, maintenance, modifications, additions, or replacements required to keep Cars in good working order and condition and in compliance with all Interchange Rules, except running repairs.

"Interchange Rules" - all codes, rules, decisions, interpretations, laws and orders governing deployment, hire, use, condition, repair and all other matters pertaining to the interchange of freight traffic reasonably interpreted as being applicable to the Cars, adopted and in effect from time to time during the term of this Agreement by the Association of American Railroads and any other organization, agency or governmental authority, such as but not limited to the Surface Transportation Board and the DOT, which may from time to time be responsible for or have authority to impose such codes, rules, decisions, interpretations, laws or orders.

"Minimum Utilization" - the average per diem (i.e., hourly car hire) earned and collected with respect to the Cars during a calendar quarter not less than ~~XXXXXXXXXXXX~~ per Car per month.

"STB" - the Surface Transportation Board.

13. Representations, Warranties and Covenants. DEPLOYER represents, warrants and covenants that all of the following matters shall be true and correct at all times that any Car is subject to this Agreement:

a. DEPLOYER is a Commission of the City of New Orleans, whose powers and authority are established by state law. This Agreement has been duly executed on behalf of

DEPLOYER and constitutes the legal, valid and binding obligation of DEPLOYER enforceable in accordance with its terms;

b. No governmental, administrative or judicial authorization, permission, consent or approval is necessary on the part of the DEPLOYER in connection with this Agreement or any action contemplated on its part hereunder, nor will the execution or performance of this Agreement violate any law, judgment, order or regulation, or any indenture or agreement binding upon DEPLOYER;

c. Neither DEPLOYER nor its counsel know of any requirements for recording, filing or depositing this Agreement other than pursuant to 49 U.S.C. Section 11303 of the Interstate Commerce Act, which is necessary to preserve or protect the title of LTD or any owner or its assignee or mortgagee in the United States of America; and

d. There are no agreements or arrangements to which DEPLOYER is a party limiting the amount of car hire charges otherwise payable with respect to the Cars under applicable STB and/or AAR Car Hire provisions.

14. RESERVED.

15. Default.

a. The occurrence of any of the following events shall be an event of default:

(i) The nonpayment of any sum required herein to be paid within thirty (30) days after the date any such payment is due.

(ii) The breach by DEPLOYER of any other term, representation, covenant, or condition of this Agreement, which is not cured within thirty (30) days following written notice.

(iii) Any act of insolvency or bankruptcy by DEPLOYER, or the filing by DEPLOYER of any petition or action under any bankruptcy, reorganization, insolvency or moratorium law, or any other law or laws for the relief of, or relating to, debtors.

(iv) The filing of any involuntary petition under any bankruptcy, reorganization, insolvency or moratorium law against DEPLOYER that is not dismissed within sixty (60) days thereafter, or the appointment of any receiver or trustee to take possession of the properties of DEPLOYER, unless such petition or appointment is set aside or withdrawn or ceases to be in effect within sixty (60) days from the date of filing or appointment.

(v) The subjection of any of DEPLOYER's property, or the Cars or the Agreement to any levy, seizure, assignment, application or sale for or by any creditor or governmental agency.

(vi) The providing by DEPLOYER of a loading preference to a car not covered by this Agreement or by any other similar agreement with LTD which preference cannot be justified on the basis of good faith logistical considerations in the general day-to-day movement of railroad cars.

(vii) Average hourly car hire for a specific Car or for a specific group of Cars (as specified by LTD) for any consecutive three month period shall be less than ~~XXXXXX~~ per month per Car.

(viii) A specific Car or specific group of Cars (as specified by LTD) repeatedly incurs above normal Repair Work as a result of the service in which it or they are deployed.

b. Upon the occurrence of any event of default, LTD may, at its option, subject to Section 10c:

(i) Terminate this Agreement and terminate DEPLOYER's right of possession and deployment of the Cars, whereupon all right and interest of DEPLOYER in the Cars shall terminate and thereupon LTD may take possession of the Cars and henceforth hold, possess and enjoy the same free from any right of DEPLOYER, provided that LTD shall nevertheless have the right to receive any and all amounts which under the terms of this Agreement may then be due or which may have accrued to the date on which LTD took such possession pursuant to applicable law; or

(ii) Proceed by any lawful means to enforce performance by DEPLOYER of this Agreement.

The foregoing remedies shall not be deemed exclusive, but shall be cumulative and shall be in addition to all other remedies existing at law or in equity. DEPLOYER agrees to bear all costs and expenses (including, without limitation, attorneys' fees) incurred by LTD in connection with the exercise of its remedies pursuant to this Section 15b.

16. Miscellaneous.

a. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns to the extent permitted herein.

b. Any notice required or permitted to be given by one party to another shall be properly given when delivered personally or, when made in writing by mail, three days after having been deposited in the United States mail, registered or certified, postage prepaid, addressed to:

LTD at: Railcar, Ltd.  
Suite 455  
1819 Peachtree Road, N.E.  
Atlanta, Georgia 30309  
Attention: President

DEPLOYER at: New Orleans Public Belt Railroad  
4822 Tchoupitoulas Street  
New Orleans, Louisiana 70151  
Attention: General Manager

or such other address as either party may from time to time designate by such notice in writing to the other.

c. DEPLOYER shall keep the Cars free from any encumbrances or liens which may be a cloud upon or otherwise affect LTD's title. DEPLOYER shall take all action requested by LTD to confirm LTD's interest in the Cars and that DEPLOYER has no interest in the Cars other than pursuant to the terms of this Agreement.

d. During the continuance of this Agreement, LTD shall have the right, at its own cost and expense, to inspect the Cars at any reasonable time or times wherever the Cars may be on DEPLOYER's lines. DEPLOYER shall supply LTD with such reports, including telephone reports of the Cars on DEPLOYER's tracks, regarding the deployment of the Cars by DEPLOYER on its railroad line as LTD may reasonably request.

e. LTD agrees to pay to DEPLOYER the sum of \$20.00 per empty Car which returns to DEPLOYER's railroad over the Hugh P. Long Bridge, within thirty (30) days from receipt of a statement from DEPLOYER.

f. This Agreement constitutes the entire agreement between the parties with respect to the subject matter herein and supersedes any and all other agreements, either oral or in writing, between the parties hereto concerning this subject matter, including that certain Deployment Agreement of the same date hereof covering rolling stock described in three (3) Schedules, two of which (i.e., Schedules I and II) are now included in this Agreement, and one of which (i.e., Schedule III) is not included in this Agreement.

IN WITNESS WHEREOF, LTD and DEPLOYER have duly executed this Agreement as of the day and year first above written.

RAILCAR, LTD.  
A Georgia Corporation

By: Wilds L. Pierce  
Wilds L. Pierce, President

ATTEST:

Eugene N. Martini  
Eugene N. Martini

Title: ~~Chief Financial Officer~~ *ENM*  
*Executive Vice President*

PUBLIC BELT RAILROAD COMMISSION  
FOR THE CITY OF NEW ORLEANS

By: G.H. Hutchison  
G.H. Hutchison, General Manager

ATTEST:

R. Duplechain  
R. Duplechain

Title: Assistant General Manager

STATE OF GEORGIA       )  
                                  ) ss  
COUNTY OF FULTON     )

*CBS*  
*Executive Vice President*

On this \_\_\_\_\_ day of December, 19\_\_\_\_, before me personally appeared Wilds L. Pierce, to me personally known, who being by me duly sworn says that he is President of Railcar, Ltd., and Eugene N. Martini, to me personally known to be the ~~Chief Financial Officer~~ of said corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



*Carol B. Stephens*  
\_\_\_\_\_  
Notary Public

STATE OF LOUISIANA    )  
                                  ) ss  
PARISH OF ORLEANS     )

On this 18<sup>th</sup> day of December, 1998, before me personally appeared G.H. Hutchison, to me personally known, who being by me duly sworn says that he is General Manager of the Public Belt Railroad Commission for the City of New Orleans and R. Duplechain, to me personally know to be the Assistant General Manager of said Commission, that the seal affixed to the foregoing instrument is the corporate seal of said Commission, that said instrument was signed on behalf of said Commission by authority of such Commission for the purposes herein expressing as a free act and deed of such Commission.

*[Signature]*  
\_\_\_\_\_  
Notary Public  
Notary Public, Parish of Orleans, State of La.  
My Commission is issued for life.



## SCHEDULE I

Lease dated July 16, 1997, by and between Railcar, Ltd. ("LTD") and Public Belt Railroad Commission for the City of New Orleans ("DEPLOYER"):

TYPE AND  
DESCRIPTION  
OF CARS:

50 ft. 6 in., 70-ton, rigid underframe boxcars with sliding doors which previously operated under SOU marks within the series 19000 - 19999, 38000 - 38499 and 40500 - 41489. Prior to delivery, these Cars will be refurbished in accordance with the repair specification attached as Exhibit A:

ITEM	SOU	SOU	SOU
	19000 Series	38000 Series	40500 Series
AAR Car Type	XM	XM	XM
Plate	C	C	C
Cubic Capacity	5219 cu. ft.	5219 cu. ft.	5219 cu. ft.
Inside Length	50 ft. 6 in.	50 ft. 6 in.	50 ft. 6 in.
Inside Width	9 ft. 5 5/8 in.	9 ft. 5 5/8 in.	9 ft. 5 5/8 in.
Inside Height	10 ft. 11 in.	10 ft. 11 in.	10 ft. 11 in.
Door Opening - Width	10 ft. 0 in.	10 ft. 0 in.	10 ft. 0 in.
Door Opening - Height	10 ft. 2 19/32 in.	10 ft. 2 19/32 in.	10 ft. 2 19/32 in.
Light Weight	62,700 #	62,400 #	64,000 #
Load Limit	157,300 #	157,600 #	156,000 #

NUMBER OF CARS: One Hundred (100)

REPORTING MARKS  
AND NUMBERS: NOPB 7000-7099

OWNER: Progress Rail Services Corporation

RAILCAR, LTD.

By: Wilds L. Pierce  
Wilds L. Pierce

Title: President

Date: \_\_\_\_\_

PUBLIC BELT RAILROAD COMMISSION  
FOR THE CITY OF NEW ORLEANS

By: G.H. Hutchison  
G.H. Hutchison

Title: General Manager

Date: 12/18/98

## SCHEDULE II

Lease dated July 16, 1997, by and between Railcar, Ltd. ("LTD") and Public Belt Railroad Commission for the City of New Orleans ("DEPLOYER"):

TYPE AND  
DESCRIPTION  
OF CARS:

50 ft. 6 in., 70-ton, rigid underframe boxcars with sliding doors which previously operated under NW marks within the series 57500 - 57999. Prior to delivery, these Cars will be refurbished in accordance with the repair specification attached as Exhibit A:

ITEM

AAR Car Type	XP
Plate	B
Cubic Capacity	5077 cu. ft.
Inside Length	50 ft. 6 in.
Inside Width	9 ft. 6 1/8 in.
Inside Height	10 ft. 7 7/16 in.
Door Opening - Width	10 ft. 0 in.
Door Opening - Height	9 ft. 11 5/32 in.
Light Weight	57,900 #
Load Limit	162,100 #

NUMBER OF CARS: Seventy-Five (75)

REPORTING MARKS  
AND NUMBERS: NOPB 7100-7174

OWNER: Progress Rail Services Corporation

RAILCAR, LTD.

By: Wilds L. Pierce

Wilds L. Pierce

Title: President

Date: \_\_\_\_\_

PUBLIC BELT RAILROAD COMMISSION  
FOR THE CITY OF NEW ORLEANS

By: G.H. Hutchison

G.H. Hutchison

Title: General Manager

Date: 12/18/98